



PEORIA PUBLIC SCHOOLS
520 E. LAKE
PEORIA, ILLINOIS 61614

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EARL ROBERTSON, Director
Instructional Materials and Libraries

RECEIVED

JUN 25 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

June 24, 1999

Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Room TW-A325
Washington, DC 20554

IN THE MATTER OF: REQUEST FOR REVIEW BY PEORIA PUBLIC SCHOOLS -
DISTRICT 150 OF DECISION OF UNIVERSAL SERVICE
ADMINISTRATOR

Ref: FCC Docket 97-21 and 96-45

Following the guidelines in the "SLD Procedure for Post-Commitment Appeals" and Part 54, Title 47 of the Code of Federal Regulations, this letter is an appeal to the Federal Communications Commission regarding USAC/SLD's denial of a request for discounts as part of the Universal Service E-Rate program for the 1998-1999 funding year. This letter follows the format of 54.721 General Filing Requirements. A copy of this appeal is also being sent to the USAC Administrator.

I Statement of the party's interest in the matter presented for review:

Peoria Public Schools - District 150 (The District) has requested discounts for the first year (1998-1999) of funding by the Universal Service Administrative

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I Statement of the party's interest (cont'd):

Company - Schools and Libraries Division. One of the requests for discounts has been denied. Pursuant to SLD guidelines an appeal was filed with the USAC on May 4, 1999 and was denied on May 25, 1999. The District seeks an overturning of USAC's denial and approval for the discounts described herein.

II Full statement of relevant, material facts with supporting affidavits and documentation:

In accordance with USAC/E-Rate guidelines, The District submitted a Form 471 (Attachment 5) detailing a request for funding to support The District's lease of ATM network services from QST/McLeod in Peoria, Illinois. This network service will provide high-speed Internet access to all schools in the District. The application and contact data are listed at the end of this item. The service provider (QST/McLeod), selected by The District after a competitive bidding procedure, requires both a monthly lease fee, (based on a 60 month contract) and a one-time, start-up fee. While the monthly fees have been approved for discounts, the one-time fee was denied (Attachment 1) due to USAC's determination that the item was ineligible as "INSTALLATION OF WIDE AREA NETWORK LINES".

The District filed an appeal (Attachment 1) with USAC on May 4, 1999.

Following several telephone calls The District submitted additional written explanations of the items (Attachment 2) on May 13, 1999. USAC issued their response of a second denial on May 25, 1999 (Attachment 3).

II Full statement of relevant, material facts with supporting affidavits and documentation: (cont'd)

Application Information

| | |
|------------------------------|----------------------------|
| Applicant Name: | Peoria School District 150 |
| Form 471 Application Number: | 00059727 |
| Billed Entity Number: | 136178 |
| Funding Request Number: | 00056055 |

Contact Information:

Earl Robertson
520 E. Lake Street
Peoria, IL 61614
Tel: 309-685-1012
Fax: 309-685-3081

III The question presented for review:

The question is whether the one-time costs associated with this funding request should be considered eligible or ineligible.

Prior to submitting the 471 in question, The District performed extensive research and negotiations with potential vendors to assure that we were in compliance with all eligibility requirements and that the lease in question satisfied the guidelines set forth by the SLC. Specifically that “the key consideration is that the facilities must be leased from a service provider, rather than purchased by the customer” and that “the price of Internet access which includes the leased wide area network service must be shown to be the most cost-effective means of obtaining the Internet access at the bandwidth connection provided over the network” (SLC Fact Sheet on Wide Area Networks, February 24, 1998, p 1).

III The question presented for review (cont'd):

In addition to in-house research, we exchanged electronic mail with the SLC helpline in which we received assurance that the one-time costs were eligible services. Since there are no capital costs to the district and since the one-time costs involved seem reasonable given a five-year contract, we believe these one-time costs should be approved for funding. As part of the follow up to The District's original appeal, we provided USAC with The District's understanding of the breakdown of these one-time costs, based on District conversations with the service provider. Our understanding remains that the one-time charges in this project are a concession to the service provider's start-up costs, primarily the expense of running and terminating single-mode fiber to forty schools, rather than direct costs of equipment. The District has not purchased, nor will it at any time in the future, acquire capital equipment as part of this project.

IV Relief sought:

This project will provide Internet access, via a leased fiber network to all schools in the District. The SLC has approved an amount equal to the monthly costs of the first fourteen months of our lease (\$237,886.32), but has denied the one-time costs of \$261,538.20. In fact, due to the delay in SLC's decision, we will not be able to use any of the approved monthly funds during this funding year, since the

IV Relief sought (cont'd):

network will not be completed until after June 30, 1999. The District has paid the one-time costs to the service provider and maintains that USAC's denial should be overturned and the funds in question should be approved.

Closing Summary:

We are appreciative of the FCC's efforts to bring the benefits of the Universal Service Act to our schools, and The District is proceeding with the implementation of Internet connections regardless of the outcome of this appeal. We also feel that the items in question are clearly eligible. Finally, regardless of the FCC's determination of eligibility today (i.e. in hindsight) we feel that our efforts to follow published guidelines and to work within both the letter and spirit of the E-Rate program merit additional consideration.

Thank you for your assistance in this matter. Please provide a written response to this letter notifying me of your decision as soon as possible.

Sincerely,

A handwritten signature in cursive script that reads "Earl Robertson".

Earl Robertson
Director, Instructional Materials and Libraries
Peoria Public Schools - District 150

cc: Universal Service Administrative Company
Schools and Libraries Division
Box 125 - Correspondence Unit
100 South Jefferson Road
Whippany, New Jersey, 07981

Attached Reference Documents:

- Att 1: District 150 Appeal Letter dated 5/4/99 – 13pp
(Includes copy of Funding Commitment Letter)
- Att 2: District 150 Explanatory Letter dated 5/14/99 – 1pp
- Att 3: USAC Denial of Appeal Letter dated 5/25/99 – 1pp
- Att 4: QST Invoice – 1pp
for one-time charges dated 6/16/1999 in the amount of \$ 401,496.48
- Att 5: Original FCC Form 471 - 16pp



PEORIA PUBLIC SCHOOLS

520 E. LAKE
PEORIA, ILLINOIS 61614

March 4, 1999

EARL ROBERTSON, Director
Instructional Materials and Libraries

Letter of Appeal
Schools and Libraries Corporation
Box 125-Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981

To whom it may concern:

Following the guidelines in the "SLD Procedure for Post-Commitment Appeals" this letter constitutes a "letter of appeal" regarding the recent funding decision specified below.

Contact Information: Earl Robertson
520 E. Lake Street
Peoria, IL 61614
Tel: 309-685-1012
Fax: 309-685-3081

FCD Letter Information: Applicant Name: Peoria School District 150
Form 471 Application Number: 00059727
Billed Entity Number: 136178

Funding Request Number: 00056055

Precise Language as basis for Appeal: "Funding Commitment Decision Explanation: The dollars requested were reduced to remove: the ineligible products / services INSTALLATION OF WIDE AREA NETWORK LINES."

Basis of Appeal: This project will provide Internet access, via a leased fiber network to all schools in the District. The SLC has approved an amount equal to the monthly costs of the first fourteen months of our lease (\$237,886.32), but has denied the one-time costs of \$261,538.20. The District maintains that the funds in question should be approved based on the criteria explained below.

1. The services which have been denied are eligible services by SLC definitions.

Prior to submitting the 471 in question, we did extensive research and negotiations with potential vendors to assure that we were in compliance with all eligibility requirements and that the lease in question satisfied the guidelines set forth by the SLC. Specifically that "the key consideration is that the facilities must be leased from a service provider, rather than purchased by the customer" and that "the price of Internet access which includes the leased wide area network service must be shown to be the most cost-effective means of obtaining the Internet access at the bandwidth connection provided over the network" (SLC Fact Sheet on Wide Area Networks, February 24, 1998, p 1).

In addition to in-house research, we exchanged electronic mail with the SLC helpline (attached) in which we received assurance that the one-time costs were eligible services. Since there are no capital costs to the district and since the one-time costs involved seem reasonable given a five year contract, we believe these one-time costs should be approved for funding.

2. The division of costs into one-time and ongoing should have no effect on eligibility.

In working through the competitive process last year, we selected the service provider for our network based on several criteria, including price. During final negotiations, we arrived at a monthly charge and a one-time charge after checking with the SLC to verify that the split between one-time and monthly charges was up to the district, as long as the eligibility of the service was demonstrated (i.e. as long as the one-time charges were not an attempt to purchase capital equipment or other methods of 'buying' an internal network). The one-time charges in this project are a concession to the service provider's startup costs, and the District's exposure to a five year funding commitment which is renewed annually and not guaranteed by the Universal Service Fund.

Summary:

We are appreciative of the SLC's efforts to bring the benefits of the Universal Service Act to our schools, and we will be implementing our Internet connections regardless of the outcome of this appeal. However, we feel that our efforts to follow SLC guidelines, both in letter and in spirit, merit your consideration of this appeal.

The District believes that the funds for one-time costs should be approved for the reasons above and that the original denial by the SLC should be reversed. I have attached additional documentation which may be helpful in evaluating our request.

We are currently in negotiations with this and several other service provider's, working towards our goal of full Internet access for our schools. Please provide a written response to this letter notifying me of your decision as soon as possible.

Sincerely,



Earl Robertson

Attached Reference Documents:

- SLC Fact Sheet on Wide Area Networks - from SLC Website
- Electronic Mail Response from SLC to Don Dietrich dated 30-Mar-1998 stating the SLC's position that all services are 'ELIGIBLE SERVICES'
- Copy of SLC Funding Commitment Letter

Reference - 470 Application Guidance Fact Sheet on Wide Area Networks (3/2/98)

Definition of Wide Area Networks

A wide area network is a voice or data network that provides connections from one or more computers within an eligible school or library to one or more computers or networks that are external to such eligible school or library. Excluded from this definition is a voice or data network that provides connections between or among instructional buildings of a single school campus or between or among non-administrative buildings of a single library branch [47 C.F.R. § 54.506].

Discounts on Wide Area Networks

Discounts will be available on wide area networks only if the services/components can be classified as an eligible service. [Para. 193 of Fourth Order on Reconsideration].

The services or components of a wide area network may be leased telephone lines because such an arrangement constitutes a telecommunications service. [Para. 193, note 585 of Fourth Order on Reconsideration]. Similarly, services leased from a wireless telecommunications carrier to provide a wide area network will be eligible for discounts.

Telecommunications services provided over a leased wide area network may be provided only by telecommunications carriers. Telecommunications carriers may be certificated to operate in a particular state, which may be determined by consulting your state regulatory commission or agency.

The term "lease" is used to refer to contractual arrangements whereby the ownership of the facility remains with the service provider. No ownership attributes will be undertaken by the lessee. The lessee is essentially the "renter" of the service or facility. In conventional telecommunications terms, the lessee is the "ratepayer" of services. Whether or not a contractual arrangement constitutes a lease will be based on a review of commercially reasonable terms and conditions. SLD will not commit to discounts on a contract that is titled or described as a lease when in effect the terms of the agreement constitute a purchase (for example, a lease which includes up front payment of capital costs will not be eligible for discounts).

A wide area network leased from service providers in addition to common carriers that is used to provide access to the Internet may be eligible for discounts, to the extent that the leasing of the wide area networks is the most cost effective means of Internet access. Under this scenario, the key consideration is that the facilities must be leased from a service provider, rather than purchased by the customer. [Para. 193 of Fourth Order on Reconsideration]. The price of Internet access which includes the leased wide area network service must be shown to be the most cost-effective means of obtaining the Internet access at the bandwidth connection provided over the network.

Since wide area networks do not constitute internal connections, the cost of purchasing components/service used for wide area networks will not be eligible for discounts. [Para. 193 of Fourth Order on Reconsideration]. If purchased components of eligible internal connections are also used to serve a wide area network, then the price of the components that may be purchased by an eligible entity to provide the internal connections may be allocated between internal connections and wide area network. The stand-alone price of the facilities/connections used to provide internal connections may be eligible for discounts, as computed in accordance with the SLD's cost allocation guidelines and procedures.

Examples of Discounts on Wide Area Networks

Assume that the computers of a school district and library system are connected and share information among the various buildings, and use the network for voice telecommunications services, data transmission and for Internet access. The connections between the buildings are leased from a telecommunications provider. The price of the connections is eligible for discounts as a telecommunications service.

Assume that the computers of a school district and library system are connected and share access to the Internet. The connections between buildings are telephone lines or wireless services leased from a telecommunications carrier. The cost of leasing the telephone lines is eligible for discounts as a telecommunications service.

Assume that the computers of a school district and library system are connected among the various buildings in order to share access to the Internet. The connections between buildings are leased from a non-telecommunications provider such as a cable company, and are the most cost-effective means of accessing the Internet. The cost of leasing the connections is eligible for discounts as Internet access.

Assume that the computers of a school district and library system are connected and share information among the various buildings and use the network for voice telecommunications and for the transmission of data. The connections between buildings were purchased and installed by the school district and library system. These connections are not eligible for discounts because the connections are purchased and installed by the school district and library system.

Assume that the computers of a school district and library system are connected and share information among the various buildings, and use the network for voice telecommunications, transmission of data, and Internet access. The connections between buildings are leased from a non-telecommunications service provider. Assume further that this method of accessing the Internet is the most cost effective. The price of the leased lines allocated to the cost of obtaining Internet access is eligible for discounts. This price must be computed in accordance with SLD's cost allocation guidelines. The remaining price attributable to the leased connections for voice telecommunications and data telecommunications is not eligible for discounts.

Assume that the computers of a school district and library system are connected and share information among the various buildings, and use the network for voice telecommunications, transmission of data, and Internet access. Assume further that the school district and library system has purchased and installed routers and hubs and network servers to operate both local area networks and a wide area network. The stand-alone price of the eligible internal connections used for the local area network are eligible for discounts, and the price associated with operating the wide area network must be deducted to establish the appropriate prediscount price for the eligible internal connections. The price must be computed in accordance with SLD's cost allocation guidelines.

Definition of Internal Connections

A service is eligible for support as a component of an institution's internal connections if such service is necessary to transport information within one or more instructional buildings of a single school campus or within one or more non-administrative buildings that comprise a single library branch. Discounts are not available for internal connections in non-instructional buildings of a school or school district, or in administrative buildings of a library, to the extent that a library system has separate administrative buildings,

unless those internal connections are essential for the effective transport of information to an instructional building of a school or to a non-administrative building of a library. Internal connections do not include connections that extend beyond a single school campus or single library branch. There is a rebuttable presumption that a connection does not constitute an internal connection if it crosses a public right-of-way [47 C.F.R. § 54.500(I)].

A single school campus may comprise multiple instructional buildings located on one parcel of property that does not cross a public right of way. A single library branch may comprise multiple non-administrative buildings located on one parcel of property that does not cross a public right of way. The multiple instructional buildings may comprise one or more schools, provided that the schools are located on one parcel of property that does not cross a public right of way. A single school campus also comprises one single building in which more than one school is located. For example, a middle school and high school located in one building would constitute a single school campus, and the connections inside the building would be classified as internal connections.

Discounts on Internal Connections

Discounts will be available on internal connections which are purchased by an eligible entity or leased by an eligible entity from a service provider. Any service provider--both telecommunications and non-telecommunications providers--may provide internal connections and be reimbursed from the Schools and Libraries Universal Service Program for the cost of the discounts.

April 3, 1998



Mr. Earl Robertson
Peoria Public Schools District 150
520 E. Lake Street
Peoria, Illinois 61614

Earl,

This note documents my recommendation on the eligibility of the QST provided ATM networking service that the District plans to use for Internet access. The eligibility is based on the fact that the District is leasing a service from the provider and is not purchasing any hardware, that the service is the lowest cost alternative which provides the required speeds, and that the service provider was selected after a very thorough and competitive RFP process.

I have spoken to the SLC Helpline on two occasions and recently received a formal response from the SLC (March 30, 1998 from questions@slcfund.org) to my electronic mail inquiry that assures me of the system's eligibility.

I have forwarded a copy of that e-mail response to you and will retain a copy in the project file for our records.

Sincerely,

Donald J. Dietrich
TelCon Associates of St. Louis

03-30-98

From: SLC QUESTIONS

06:19 PM

Date: Monday, 30-Mar-98 06:19 PM

From: SLC QUESTIONS
To: Don Dietrich

\ Internet: (question@slcfund.org)
\ Internet: (ddietrich@telconsl.com)

Subject: A3

I apologize for the lag on this answer..kh

> From: Don Dietrich[SMTP:ddietrich@telconsl.com]
> Sent: Friday, March 13, 1998 4:50 PM
> To: QUESTION@slcfund.org
> Cc: eroberts@roe48.k12.il.us
> Subject: eligibility of services and items
>
> -- [From: Don Dietrich * EMC.Ver #2.5.02] --
>
> We have submitted a form 470 and are nearing the time for submission
> of our
> form 471. In keeping with recently issued guidelines, we want to
> assure
> that all the items and services we submit are eligible for funding. I
> have
> logged a call to the Client Service Bureau but maybe this will be
> faster.
>
> We are installing a network linking 40 schools in the district, using
> Cisco
> 5500/5000 switches. After a very competitive RFP process, we are
> negotiating with a service provider (not a telecomm carrier) to lease
> ATM
> services linking the schools to the internet, via a network hub at the
> admin
> center at 155mb/sec. We did have a proposal from the local ILEC, but
> it was
> much higher than either of the two other vendors. We will be
> transporting
> data only (no voice), and using the wide area network as a link to the
> internet. We want to confirm the eligibility of the following items:
>
> 1. The least expensive WAN proposal will require the service provider
> to
> install his cards in our Cisco LAN switches. The provider will be
> leasing
> us an ATM service on a monthly basis, with the demark being the
> (provider-
> owned) single-mode card in our switch, and they will retain ownership
> of the
> cards and the fiber. We believe this to be the most competitive and we
> know
> it is the least expensive means of internet access at these speeds.
> We
> assume from recently published guidelines that this is an eligible
> service,
> as long as there are no capital purchases by the school district of
> WAN

> equipment. Please confirm that this is an eligible service. YES THIS IS AN ELIGIBLE SERVICE.

>

> 2. Novell MLA software; we are installing a single file server in each school to provide internet access. The cheapest way to do this is via the Novell MLA (Master License Agreement) covering the entire school district, which provides not only the NOS, but also the Intranetware IP stack, border management and other software required to connect and interoperate with the internet. We assume from SLC guidelines that this software license is eligible. Please confirm. YES THIS IS ELIGIBLE.

>

> 3. Backup Software: We will be including software licenses for BackupExec software to provide backups of the network operating system and configuration of each server. Please confirm that this software cost is eligible. NO THIS IS NOT AN ELIGIBLE SERVICE.

>

> 4. Secure2000 is a software package that provides desktop security for the k12 students and hides many of the windows95 services from desktop users. It also provides internet access via script files and other utilities. SLC guidelines are not specific on this item. Please advise if this item is eligible. NO THIS IS NOT ELIGIBLE.

>

> Also, we are considering filing multiple 471's since this will be a large project involving some long distance voice charges, some internal wiring, and some internet access. Should we separate these onto separate 471's or would it be more efficient to put them on a single form? >IT IS UP TO YOU. PLEASE BE ADVISED THAT IF YOU ARE NOT SURE OF AN ELIGIBLE ITEM, PUT IT ON A SEPERATE LINE. WE WILL BE MAKING FUNDING COMMITMENTS ON A LINE BY LINE BASIS.

> I realize this is a daunting list of questions, but we have been working a long time and this is a large district. You can either answer via email, or call me at ...

>

> Don Dietrich, 314-256-9315

>

> Thanks in advance,

>

> DJD

>



Schools and Libraries
Division

Box 125 - Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981

PEORIA SCHOOL DISTRICT 150
EARL ROBERTSON
520 E LAKE AVE
PEORIA IL 61614-6254

February 18, 1999

Re: Form 471 Application Number: 59727
Funding Year: 1998
Billed Entity Number: 136178

We have completed our review of your FCC Form 471, Services Ordered and Certification Form, and made decisions with respect to your requests for discounts along with other applications received within the same time period. This letter is to advise you of our decisions.

As you may know, the Federal Communications Commission (FCC) in June 1998 made two changes to the Universal Service Fund for schools and libraries that have direct bearing on your discount request for 1998. First, the 1998 program year has been extended by six months, for a new ending date of June 30, 1999. Second, the FCC established new funding priorities whereby all eligible applicants will receive discounts for eligible telecommunications services and Internet access. Support for internal connections will be allocated in accordance with need so that schools and libraries will receive discounts in order of the discount percentages for which they qualify beginning with applications qualifying for the highest discount percentages. Discounts for internal connections will continue until all funds are exhausted. These changes are reflected in the information in this letter regarding your discount request.

On the following page(s) is a list, by row of Items 15 and 16 of your FCC Form 471. For each item, there is a Funding Request Number (FRN) and several other

very important pieces of information relating to the disposition of that request. A complete explanation of each item begins below.

If you have any questions about our decisions on your discounts, you may send them in writing to the Schools and Libraries Corporation, Box 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981.

Your next step in the discounting process is to complete and submit the FCC Form 486 enclosed with this letter to notify the SLC that you are currently receiving or have already begun to receive services for which discounts have been approved. This will enable your service providers to invoice SLC for your discounts. Please note that we are notifying each service provider listed on your Form 471 of our decision on your discount request. In addition, you should contact each service provider yourself to make any necessary arrangements regarding start of services, billing of discounts, and any other administrative details relevant to your participation in the Universal Service Fund. For important information about your Form 486, see next page.

FCC Form 471 Applicants who are approved for discount eligibility are reminded that they continue to be subject to audits and other reviews that the SLC may undertake to assure that discounted services are being used in compliance with program rules. If the SLC discovers that discounted services are not being used in compliance with program rules, 471 Applicants will be subject to enforcement activities and other means of recourse by the SLC and other appropriate Federal, state, and local authorities.

Explanation of Information Provided in SLC Funding Notification

On the following pages we provide you with a synopsis of the discount eligibility decision for each item you requested. To help understand this synopsis the following definitions are provided:

- * **Funding Request Number (FRN):** A number assigned by the SLC that will identify a Funding Request. A Funding Request is a single row of item 15 or 16.
- * **Funding Status:** An item may be "Funded," "Denied," "Partially Funded," or not approved because of "Funds Exhausted." An item that is "Funded" will be approved at the level that SLC determines is appropriate for that item. That will generally be the level requested by the Applicant unless the SLC determines during the application review process that some adjustment is appropriate, for example, a different discount percentage for that item than the FCC Form 471 featured. If an item is "Denied," that denial will be briefly explained in the "Funding Commitment Decision," and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation." An item will be "Partially Funded" or "Unfunded," in accordance with FCC program rules, if the total amount of funds in the Universal Service Fund is insufficient to fully fund all approved requests. If the Form 471 was received after all the funds in the Universal Service Fund were allocated and it was processed, the status will indicate "Unfunded - Funds Exhausted."
- * **SPIN (Service Provider Identification Number):** A unique number assigned to each service provider by the Universal Service Administrative Company (USAC).
- * **Service Provider Name:** The legal name of the service provider.
- * **Provider Contract Number:** The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- * **Services Ordered:** The type of service ordered from the service provider, as shown on Form 471.

- * **Earliest Possible Effective Date of Discount:** The first possible date of service for which the SLC will reimburse the service provider for discounted services. Note: If the actual service start date provided on a Form 486 is later than this date, the actual service start date set forth in the Form 486 will be the effective date of the discount.
- * **Contract Expiration Date:** The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.
- * **Estimated Total Annual Pre-discount Cost:** Amount in Column 10 of Item 15/16, Form 471 as determined through the application review process, PLUS an automatic extension of monthly costs for Telecommunications Services and Internet Access through June 30, 1999. Please note that, during the Problem Resolution process at SLC, the amount in Col. 10 of Item 15/16 may have been corrected to conform to the information provided about Service Start Date and Monthly Costs.
- * **Discount Percentage Approved by SLC:** This is the discount rate that the SLC has approved for this service.
- * **Funding Commitment Decision:** This represents the total amount of funding that the SLC is now reserving to reimburse service providers for the cost of the discount for this service. This figure may be different from the Estimated Total Annual Pre-Discount Cost (Col. 10 of Item 15/16) times the Percentage Discount (Col. 11 of Item 15/16) in your application. It may be higher because of the addition of the monthly cost for Telecommunications Services and Internet Access for the six months from January 1, 1999, through June 30, 1999. It may be lower because of an adjustment determined appropriate by the SLC, such as of the discount percentage, or a denial of discounts and, if so, the accompanying comment will explain this difference. The difference may also reflect a reduction from the request level made necessary by overall funding limitations, in which case the "Funding Status" above will indicate "Partially Funded" or "Unfunded." Whatever amount is listed here, it is important that you and your service provider both recognize that the SLC should be invoiced and the SLC may direct disbursement of discounts on only eligible, approved services actually rendered.
- * **Funding Commitment Decision Explanation:** This entry may appear to amplify the comment in the "Funding Commitment Decision," if the discount request for this service is denied for reasons other than "Unfunded" or if the SLC determined that some adjustment to the request level was appropriate.

Using the Enclosed FCC Form 486 and Invoice

FCC Form 486: You will use this form to notify the SLC that you are currently receiving or have already received services for which discounts have been approved. Your completed Form 486 allows us to begin processing invoices from your service providers for your discounts. It also sets in motion the process by which you and your service provider can invoice SLC for approved services you have already paid for.

Each Billed Entity Applicant must file a separate Form 486, although each Billed Entity's Form 486 may include services from multiple Forms 471 if the same Billed Entity Number is listed on the various Funding Commitment Decision letters that you receive. When completing your Form 486, please be certain to use the Billed Entity Number as listed at the beginning of this Funding Commitment letter. (We may have revised or corrected the Billed Entity Number from your original Form 471, so please use the number exactly as it is listed in this letter.)

To assist in completing your Form 486, we have pre-printed your Block 1 information, including the Billed Entity Number. Please review the pre-printed

information. If you believe there is an error in the pre-printed information -except for the Billed Entity Number-please cross off and print the correct information above each item. Then make multiple copies of this Billed Entity -specific Form 486 for future use, and follow the instructions with the form to complete and submit it to SLC.

Billed Entity Applicant Reimbursement Form: If you have already paid in full for services for which you are now being approved for discounts, you can use the enclosed Billed Entity Applicant Reimbursement Form to seek reimbursement from your service provider. This Form is not for use by service providers, who have their own invoice form. If you plan to submit a Billed Entity Applicant Reimbursement Form, please read and follow the instructions carefully regarding the Form as well as the Form 486 to avoid delay in processing your reimbursement.

SLC Funding Notification Synopsis for Application Number: 00059727
Funding Request Numbers preceded by an (*) represent a change from your previous notification. The Funding Commitment Decision Amount exhibited is the total amount approved for this year.

Funding Request Number:00056055 Funding Status: Funded
SPIN: 143004466 Service Provider Name: QST Communications Inc.
Provider Contract Number: QST001
Services Ordered: Internet Access
Effective Date of Discount: 05/01/1998 Contract Expiration Date: 04/02/2003
Estimated Total Annual Pre-discount Cost: \$321,468.00
Discount Percentage Approved by SLC: 74%
Funding Commitment Decision: \$237,886.32 - FRN approved; modified by SLC
Funding Commitment Decision Explanation: The dollars requested were reduced to remove: the ineligible products(s)/service(s) INSTALLATION OF WIDE AREA NETWORK LINES.

Funding Request Number:00056090 Funding Status: Funded
SPIN: 143004466 Service Provider Name: QST Communications Inc.
Provider Contract Number: QST003
Services Ordered: Internet Access
Effective Date of Discount: 05/01/1998 Contract Expiration Date: 12/31/1998
Estimated Total Annual Pre-discount Cost: \$25,200.00
Discount Percentage Approved by SLC: 74%
Funding Commitment Decision: \$18,648.00 - 471 approved as submitted

* Funding Request Number:00056097 Funding Status: Funded
SPIN: 143004466 Service Provider Name: QST Communications Inc.
Provider Contract Number: QST002
Services Ordered: Internal Connections (Shared)
Effective Date of Discount: 05/01/1998 Contract Expiration Date: 12/31/1998
Estimated Total Annual Pre-discount Cost: \$31,417.00
Discount Percentage Approved by SLC: 74%
Funding Commitment Decision: \$23,248.58 - 471 approved as submitted



PEORIA PUBLIC SCHOOLS

520 E. LAKE
PEORIA, ILLINOIS 61614

EARL ROBERTSON, Director
Instructional Materials and Libraries

TO: Tom McNally, Schools and Libraries Corporation

FROM: Earl Robertson, Director of Instructional Materials
and Libraries

DATE: May 13, 1999

RE: Form 471, #00059727
Billed Entity #136178 FRN:00056055

In response to your request that we furnish the SLC with some support information pertaining to District 150's appeal.

You requested a cost breakdown for the \$350,000 nonrecurring cost associated with the five year lease of the fiber service from QST/McLeod. I spoke with the individual responsible for preparing QST's proposal and presenting it to District 150.

He stated that although there was a lot of equipment, service, billing, engineering, and other costs involved in providing this service the main cost associated with the nonrecurring charge was bringing fiber from their poles or underground facility into our school buildings all the way into our main equipment racks. The District has 40 locations, and this represents a cost of \$8,950 per site.

I would like to repeat that District 150 did not purchase any equipment or fiber but entered into a five year lease agreement to furnish internet service to the District buildings.

Again, we are appreciative of the SLC'S efforts to bring the benefits of the Universal Service Act to our schools, and we will be implementing our internet connections regardless of the outcome of our appeal.

Thank you for your consideration.



Box 125 – Correspondence Unit
100 South Jefferson Road
Whippany, New Jersey 07981

SCHOOLS AND LIBRARIES DIVISION

Administrator's Decision on Appeal

May 25, 1999

Earl Robertson
Peoria School District 150
520 E. Lake Street
Peoria, IL 61614

Re: Billed Entity Number: 136178
 Application Number: 59727
 Funding Request Number(s): 56055
 Your Correspondence Dated: March 4, 1999

After thorough review and investigation of your appeal, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company has resolved your appeal seeking approval of additional discounts for the first program year. This letter addresses our decision concerning each Funding Request Number that was included in your letter of appeal for the Application Number cited above. If your letter of appeal addressed more than one Application Number, a separate letter will be issued to inform you of our decision on the appeal of each Application Number included in your appeal.

Funding Request Number: 56055
Decision on Appeal: Denied in full

The following explanation is provided to inform you of the reason for our decision on appeal of this Funding Request Number, for those appeals that are denied in full.

Denial Reason(s):

- The documentation fails to address the products and services that compose the dollar amount associated with the appeal. In the absence of this information, your appeal to change the funding status of this request will be denied.

If you feel further examination of your application is in order, you may file an appeal with the Federal Communications Commission, Office of the Secretary, 445 12th Street, SW, Room TW-A325, Washington, DC 20554. Before preparing and submitting your appeal, please be sure to review the FCC rules concerning the filing of an appeal of an Administrator's Decision, which are posted to the SLD Web Site at <www.sl.universalservice.org>. You must file your appeal with the FCC no later than 30 days from the date of the issuance of this letter, in order for your appeal to be timely filed.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company



411 Hamilton Blvd. - Suite 1302
Peoria, IL 61602
Telephone (309) 494-6020

Customer No: **CC007**
Invoice No: **0699C007-QST001**
Billing Date: **June 15, 1999**

Make check payable to: QST Communications

Board of Education of the City of Peoria
Attention: Earl Robertson
520 E. Lake Street
Peoria, IL 61614

Send remittances to: **McLeodUSA**
Accounts Receivable
411 Hamilton Blvd.
Suite 1302
Peoria, IL 61602

Form 471 Application No. 0000059727
FRN: 0000056055

SPIN: 143 004 466
REVISED

| | | | | |
|------------------------------|--------------------------|-------------|-------|--|
| CIRCUIT TROUBLE REPORTING | QST BILLING INQUIRIES | TERMS | | |
| 1-888-550-8200 | 309 494-6023 | Net 30 Days | | |
| DESCRIPTION | DATE | UNIT PRICE | TOTAL | |
| ATM Service (QST001) | | | | |

One-Time Installation Charge \$353,430.00
(Not Covered by SLC Discount)

| | | |
|--|--------------|-------------|
| State Excise Tax @ 7.0% | \$353,430.00 | \$24,740.10 |
| RUF Tax @ .1% | \$353,430.00 | \$353.43 |
| State Infrastructure Maintenance Fee @ .5% | \$353,430.00 | \$1,767.15 |
| Peoria Municipal Infrastructure Maintenance Fee @ 1.0% | \$353,430.00 | \$3,534.30 |
| Peoria Municipal Tax @ 5.0% | \$353,430.00 | \$17,671.50 |

Total Due Per Contract \$401,496.48

Less: Funding Approved and \$0.00
Provided by the SLC

Balance Due July 15, 1999 \$401,496.48

REVISED

FCC Form

471

Schools and Libraries Universal Service Services Ordered and Certification Form

Estimated Average Burden Hours Per Response: 6 hour

This form asks schools and libraries to list the eligible telecommunications-related services they have ordered and estimate the annual charges for them so that the Schools and Libraries Corporation can set aside sufficient support to reimburse providers for services.

Please read instructions before completing.

(To be completed by each Billed Entity)

Block 1: Applicant Address and Identifications (School, library, or consortium desiring Universal Service funding.)

| | | | |
|--|-------------|---|----------------------------------|
| 1. Name of Applicant (Billed Entity) PEORIA SCHOOL DISTRICT 150 | | 2. Funding Year 1998 | |
| 3a. NCES School Code (if individual school) or NCES Library Code (if individual library) [REDACTED] | | 3c. Billed Entity Number 136178 | |
| 4a. Type of Applicant (Check only one box) <input type="checkbox"/> school <input checked="" type="checkbox"/> school district <input type="checkbox"/> library or library consortium under the LSTA <input type="checkbox"/> consortium of multiple entities | | 4b. If applicant is a consortium, check all other boxes that apply: <input type="checkbox"/> includes non-government entities ineligible for support <input type="checkbox"/> region of a state <input type="checkbox"/> statewide <input type="checkbox"/> multi-state <input type="checkbox"/> state educational agency <input type="checkbox"/> local educational agency <input type="checkbox"/> educational services agency | |
| 5. Applicant's Street Address, P.O. Box, or Route Number 3202 N WISCONSIN AVE | | | |
| City PEORIA | State IL | Zip Code 61603 | Telephone Number 309-685-1012 |
| 6. Contact Person's Name EARL ROBERTSON | | | |
| Street Address, P.O. Box, or Route Number (if different from Item 5) 520 E. LAKE STREET | | | |
| City PEORIA | State IL | Zip Code 61614 | |
| Fill in all of the following (if available), and check the preferred mode of contact: <input checked="" type="checkbox"/> Telephone 309-685-1012 | | | |
| <input type="checkbox"/> FAX 309-685-1081 | | <input type="checkbox"/> E-mail eroberts@roe48.k12.il.us Mail | |

Block 2: Purpose of Request

| | |
|--|--|
| 7 Purpose of Request: (Check all that apply, if any.) | |
| a. <input type="checkbox"/> Discount on contract(s) signed prior to a request being posted on the Administrator's website. Was an FCC Form 470 filed with regard to all the contract(s)? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| b. <input checked="" type="checkbox"/> Discount on contract(s) signed after a request being posted on the Administrator's website. | |
| c. <input type="checkbox"/> Minor modifications or supplement to existing contract(s) for which a Form 471 was already filed. 471 Application Number _____ | |

Block 3: Characteristics of Applicant and Applicant's Service Order (derived from FCC Form 470 Blocks 2 & 3)

| | |
|---|--|
| 8a. Number of students 16307 | 8b. Number of library patrons |
| 9. Number of buildings to be served 39 | 10. Number of rooms to be served 1450 |

Contact Person's Name EARL ROBERTSON

and Phone Number: 309-685-1012

| | Existing Services | Total Services After Order |
|--|-------------------|----------------------------|
| 11. Telecommunications Services | | |
| a. Number of phones that have or require service (See instructions concerning extension phones and fax machines.) | | |
| b. Number of computers that have or require service | 500 | 1500 |
| c. Number of high bandwidth video conferencing links | | |
| 12. Internal Connections | | |
| a. Number of buildings with at least some rooms connected | 8 | 40 |
| b. Number of rooms connected | 351 | 1450 |
| c. Highest speed of connection | 100mb | 100mb |
| 13. Internet Access | | |
| a. Number of dial up connections | | |
| b. Highest speed of such dial up connections | | |
| c. Number of direct connections | 1 | 2 |
| d. Highest speed of such direct connections | 1.5MB | 155MB |

Block 4: Determining Discount Percentage

14. Fill in one line per school, library, or library consortium and calculate in the last line, an average discount rate for the billed entity. Attach additional pages if necessary. *Note:* If the applicant has already completed this chart for all of the same entities with data that is current, provide the "471 Application Number" (Item 3b), from that previous FCC Form 471 here:

| (1) Name of Individual School or Library | (2) NCES or Comparable Code for School or Library (Obtain from Administrator) | (3) Urban or Rural | (4) <i>For Schools:</i> Number of Students <i>For Libraries:</i> NCES Code of a School in its District | (5) <i>For Schools:</i> Number of Students Eligible for National School Lunch Program | (6) Discount Calculated from Discount Matrix | (7) Check if School or Library will use "Shared Services" listed in Item 15. |
|---|--|-----------------------|--|---|---|---|
| Manual High School | 03274 | Urban | 943 | 518 | 80% | [X] |
| Peoria High School | 03278 | Urban | 978 | 353 | 60% | [X] |
| Richwoods High School | 03280 | Urban | 1244 | 144 | 40% | [X] |
| Woodruff High School | 03295 | Urban | 957 | 383 | 80% | [X] |
| (SEE ATTACHED TWO SHEETS) | | | | | | [] |
| | | | | | | [] |
| FOR SHARED SERVICES ORDERED BY BILLED ENTITY (attach worksheet of calculations) | | | | | 74% | |

Contact Person's Name EARL ROBERTSON

and Phone Number: 309-685-1012

Block 5: Services Ordered

15. "Shared" services: All EXCEPT site-specific, internal connections and dedicated ("private line") connections from only one school or library to an ISP or other end user.

| (1) | (2) | CONTRACT | | | (6) | (7) | Amount | | (10) | (11) |
|---|--|---|----------------------|--------------------------------|-------------------------------|-----------------------|--|---|---|--|
| SLC Service Provider Number or Full Legal Name of Service Provider | Universal Service Control Number for Form 470 on which this is based | (3) Contract Number (if applicable) | (4) Award Date | (5) Expir- ation Date | Services or Products | Service Start Date | (8) Estimated One Time Pre- discount Cost | (9) Estimated Monthly Pre- discount Cost | Estimated Total Annual Prediscount Cost | Percentage Discount (from Item 14) |
| | | | | | Telecommunications Services | | | | | |
| 43004466 | 308590000006812 | QST001 | 04/03/98 | 04/02/03 | Internet Access | 05/01/98 | \$353,430.00 | \$22,962.00 | \$537,126.00 | 74.00% |
| | | | | | Internal Connections (Shared) | | | | | |
| | | | | | Telecommunications Services | | | | | |
| 3004466 | 308590000006812 | QST003 | 04/03/98 | | Internet Access | 05/01/98 | \$25,200.00 | | \$25,200.00 | 74.00% |
| 3004466 | 308590000006812 | QST002 | 04/03/98 | | Internal Connections (Shared) | 05/01/98 | \$31,417.00 | | \$31,417.00 | 74.00% |
| | | | | | Telecommunications Services | | | | | |
| | | | | | Internet Access | | | | | |
| | | | | | Internal Connections (Shared) | | | | | |

Contact Person's Name **EARL ROBERTSON**

and Phone Number: 309-685-1012

16. "Site Specific" Services: Internal connections not shared by multiple schools or libraries and dedicated ("private line") connections from only one school or library to an ISP or other end-user.

| (1) | (2) | CONTRACT | | | (6) | (7) | Amount (See instructions about rounding) | | | (11) | (12) |
|--|--|---|--------------------------|---------------------------------|----------------------|--------------------------|--|---|--|--|--|
| SLC Number of Service Provider (Obtain from Service Provider) | Universal Service Control Number for Form 470 on which this is based | (3) Contract Number (if applicable) | (4) Award Date | (5) Expira- tion Date | Services or Products | Service Start Date | (8) Estimated One Time Pre-discount Cost | (9) Estimated Monthly Pre- discount Cost | (10) Estimated Total Annual Pre- discount Cost | Percent- age Dis- count (from Item 14) | School or Library Code (Listed on website) |
| | | | | | Dedicated Services | | | | | | |
| | | | | | Internal Connections | | | | | | |
| | | | | | Dedicated Services | | | | | | |
| | | | | | Internal Connections | | | | | | |
| | | | | | Dedicated Services | | | | | | |
| | | | | | Internal Connections | | | | | | |
| | | | | | Dedicated Services | | | | | | |
| | | | | | Internal Connections | | | | | | |
| | | | | | Dedicated Services | | | | | | |
| | | | | | Internal Connections | | | | | | |
| | | | | | Dedicated Services | | | | | | |
| | | | | | Internal Connections | | | | | | |

Contact Person's Name EARL ROBERTSON and Phone Number: 309-685-1012

17. ☒ Check this box to confirm that, for each service provider listed in 15 and 16, above, a list is attached (as an appendix to this form) of all of the services that each service provider is providing to the billed entity. Service providers should provide these lists on request.

18. a. Total dollars of support allocated for this application for the entire funding year (*calculated by administrator*)

b. Amounts of support set aside for this application for the first six months of the year (*calculated by administrator*)

19. Provide the total estimated cost (pre-discount price) for the services you expect to order in the funding year following the one for which you are applying here. (*This figure is not binding.*) \$275,541.50

20. Is your order solely for basic telephone service? ☐ Yes ☒ No

Block 6: Certification and Signature

21. The applicant is eligible for support because it includes: (Check one or both.)

- a. ☒ schools under the statutory definitions of elementary and secondary schools found in the Elementary and Secondary Education Act of 1965, 20 U.S.C. Secs. 8801 (14) and (25), that do not operate as for-profit businesses and do not have endowments exceeding \$50 million; and/or
- b. ☐ libraries or library consortia eligible for assistance from a state library administrative agency under the Library Services and Technology Act of 1996 that do not operate as for-profit businesses and whose budgets are completely separate from any schools', including, but not limited to, elementary and secondary schools, colleges, or universities.

22. The school(s) or library(ies) I represent have secured access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to make effective use of the services purchased as well as to pay the discounted charges for eligible services.

23. All of the individual schools, libraries, and library consortia listed above in items 15 and 16 are covered by:

- a. ☐ an individual; and/or
- b. ☒ higher-level technology plan(s) for using the services requested in this application (if those services consist of other than voice services).

24. Status of technology plans (check one):

- a. ☒ Technology plan(s) has/have been approved; or
- b. ☐ Technology plan(s) will be approved by a state or other authorized body; or
- c. ☐ Technology plan(s) will be submitted to Schools and Libraries Corporation for approval.

25. I certify that the entities eligible for support that I am representing have complied with all applicable state and local laws regarding procurements of services for which support is being sought.

26. I certify that the services the applicant purchases at discounts provided by 47 U.S.C. Sec. 254 will be used solely for educational purposes and will not be sold, resold, or transferred in consideration for money or any other thing of value.

27. I understand that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service receive an appropriate share of benefits from those services.

28. I recognize that I may be audited pursuant to this application and will retain for five years any and all worksheets and other records that I rely upon to fill out this application.

29. I certify that I am authorized to submit this request on behalf of the above-named institution, that I have examined this request and to the best of my knowledge, information, and belief, all statements of fact contained herein are true.

30. Signature Earl Robertson

31. Date 04-03-98

32. Printed name of authorized person EARL ROBERTSON

33. Title or position of authorized person DIRECTOR INSTRUCTIONAL MATERIAL AND LIBRARIES

Contact Person's Name EARL ROBERTSON

and Phone Number 309-685-1012

Persons willfully making false statements on this form can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec.1001.

NOTICE TO INDIVIDUALS: Section 54.504 of the Federal Communication Commission's rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to file this Services Ordered and Certification Form (FCC Form 471) with the Universal Service Administrator 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended, 47 U.S.C. § 254. The data in the report will be used to ensure that schools and libraries comply with the competitive bidding requirement contained in 47 C.F.R. § 54.504. All schools and libraries planning to order services eligible for universal service discounts must file this form themselves or as part of a consortium.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The FCC is authorized under the Communications Act of 1934, as amended, to collect the personal information we request in this form. We will use the information you provide to determine whether approving this application is in the public interest. If we believe there may be a violation or potential violation of a FCC statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing or implementing the statute, rule, regulation or order. In certain cases, the information in your application may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government, is a party of a proceeding before the body or has an interest in the proceeding.

If you owe a past due debt to the federal government, the taxpayer identification number (such as your social security number) and other information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide this information to these agencies through the matching of computer records when authorized.

With the exception of your social security number, if you do not provide the information we request on the form, the FCC may delay processing of your application or may return your application without action.

The foregoing Notice is required by the Privacy Act of 1974, Pub. L. No. 93-579, December 31, 1974, 5 U.S.C. § 552, and the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, *et seq.*

Public reporting burden for this collection of information is estimated to average 6 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, D.C. 20554.

This form should be submitted to: **Schools and Libraries Corporation**
P.O. Box 4217
Iowa City, Iowa 52244-4217
1-888-203-8100

Block 4: Determining Discount Percentages

14. Fill in one line per school, library, or library consortium and calculate in the last line, an average discount rate for the billed entity.

Attach additional pages if necessary. Note: If the applicant has already completed this chart for all of the same entities with data that is current, provide the "471 Application Number" (Item 3b), from that previous FCC Form 471 here:

| (1) Name of Individual School or Library | (2) NCES Comparable Code for School or Library (Obtain from Administrator) | (3) Urban or Rural | (4) <u>For Schools:</u> Number of Students <u>For Libraries:</u> NCES Code of a School in its District | (5) <u>For Schools:</u> Number of Students Eligible for National School Lunch Program | (6) Discount Calculated from Discount Matrix | (7) Check if School or Library will use "Shared Services" listed in Item 15. |
|---|--|---------------------------------|---|---|---|---|
| Mark W Bills Middle School | 05336 | Urban | 271 | 99 | 60% | <input checked="" type="checkbox"/> |
| Blaine-Sumner Middle School | 05328 | Urban | 405 | 358 | 90% | <input checked="" type="checkbox"/> |
| Calvin Coolidge Middle School | 05329 | Urban | 245 | 132 | 80% | <input checked="" type="checkbox"/> |
| Columbia Middle School | 05330 | Urban | 241 | 124 | 80% | <input checked="" type="checkbox"/> |
| Lincoln Middle School | 00960 | Urban | 413 | 345 | 90% | <input checked="" type="checkbox"/> |
| Chas A Lindbergh Middle School | 05332 | Urban | 324 | 59 | 50% | <input checked="" type="checkbox"/> |
| Loucks Middle School | 05334 | Urban | 299 | 248 | 90% | <input checked="" type="checkbox"/> |
| Rolling Acres Middle School | 05324 | Urban | 274 | 62 | 50% | <input checked="" type="checkbox"/> |
| Roosevelt Magnet School | 03283 | Urban | 823 | 570 | 80% | <input checked="" type="checkbox"/> |
| Sterling Middle School | 05325 | Urban | 425 | 209 | 80% | <input checked="" type="checkbox"/> |
| Trewyn Middle School | 05335 | Urban | 520 | 447 | 90% | <input checked="" type="checkbox"/> |
| Von Stueben Middle School | 05326 | Urban | 354 | 136 | 60% | <input checked="" type="checkbox"/> |
| Washington Gifted School | 03290 | Urban | 235 | 18 | 40% | <input checked="" type="checkbox"/> |
| White Middle School | 05327 | Urban | 389 | 318 | 90% | <input checked="" type="checkbox"/> |
| Peoria Alternative School | 05444 | Urban | 87 | 3 | 40% | <input checked="" type="checkbox"/> |
| Valeska Hinton Early Ch ED Ctr | 00593 | Urban | 374 | 266 | 80% | <input checked="" type="checkbox"/> |
| Roberta A Jamieson School | 03281 | Urban | 59 | 43 | 80% | <input checked="" type="checkbox"/> |
| Adult Ed. Ctr. | | Urban | 55 | 0 | 20% | <input checked="" type="checkbox"/> |
| Greeley | | Urban | 50 | 33 | 80% | <input checked="" type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| (CONTINUED ON ATTACHED SHEET) | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| FOR SHARED SERVICES ORDERED BY BILLED ENTITY (attach worksheet of calculations) | | | | | 74% | |

14. Fill in one line per school, library, or library consortium and calculate in the last line, an average discount rate for the billed entity. Attach additional pages if necessary. Note: If the applicant has already completed this chart for all of the same entities with data that is current, provide the "471 Application Number" (Item 3b), from that previous FCC Form 471 here: _____.

| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|---|--|----------------|---|--|--|--|
| Name of Individual School or Library | NCES Comparable Code for School or Library (Obtain from Administrator) | Urban or Rural | <u>For Schools:</u> Number of Students <u>For Libraries:</u> NCES Code of a School in its District | <u>For Schools:</u> Number of Students Eligible for National School Lunch Program | Discount Calculated from Discount Matrix | Check if School or Library will use "Shared Services" listed in Item 15. |
| Charter Oak Primary School | 04422 | Urban | 435 | 169 | 60% | <input checked="" type="checkbox"/> |
| Franklin Primary School | 03259 | Urban | 530 | 412 | 90% | <input checked="" type="checkbox"/> |
| Garfield Primary School | 03260 | Urban | 460 | 409 | 90% | <input checked="" type="checkbox"/> |
| Glen Oak Primary School | 03262 | Urban | 647 | 516 | 90% | <input checked="" type="checkbox"/> |
| Harrison Primary School | 03265 | Urban | 507 | 455 | 90% | <input checked="" type="checkbox"/> |
| Hines Primary School | 03266 | Urban | 456 | 163 | 60% | <input checked="" type="checkbox"/> |
| Irving Primary School | 03268 | Urban | 314 | 264 | 90% | <input checked="" type="checkbox"/> |
| Thomas Jefferson Primary School | 03286 | Urban | 477 | 228 | 80% | <input checked="" type="checkbox"/> |
| Kellar Primary School | 03269 | Urban | 428 | 103 | 50% | <input checked="" type="checkbox"/> |
| Kingman Primary School | 03270 | Urban | 346 | 265 | 90% | <input checked="" type="checkbox"/> |
| Northmoor Primary School | 03276 | Urban | 343 | 82 | 50% | <input checked="" type="checkbox"/> |
| Tyng Primary School | 03288 | Urban | 667 | 589 | 90% | <input checked="" type="checkbox"/> |
| Whittier Primary School | 03293 | Urban | 279 | 147 | 80% | <input checked="" type="checkbox"/> |
| Woodrow Wilson Primary School | 03294 | Urban | 453 | 264 | 80% | <input checked="" type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| (END OF LIST) | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| | | | | | | <input type="checkbox"/> |
| FOR SHARED SERVICES ORDERED BY BILLED ENTITY (attach worksheet of calculations) | | | | | 74% | |

4/2/98

Peoria Public Schools - District 150 - Discount Calculations Data as of 12/1/97

| Location | Students No. Eligible for | | Percent | Discount | Weighted | NCES |
|-------------------------------------|---------------------------|--|----------|----------|--------------|-------|
| High Schools | Lunch Program | | Eligible | Rate | #Students | ID |
| Manual High School | 943 | 518 | 55% | 80% | 754 | 03274 |
| Peoria High School | 978 | 353 | 36% | 60% | 587 | 03278 |
| Richwoods High School | 1244 | 144 | 12% | 40% | 498 | 03280 |
| Woodruff High School | 957 | 383 | 40% | 80% | 766 | 03295 |
| Middle Schools | | | | | | |
| Mark W Bills Middle School | 271 | 99 | 37% | 60% | 163 | 05338 |
| Blaine-Sumner Middle School | 405 | 358 | 88% | 90% | 365 | 05328 |
| Calvin Coolidge Middle School | 245 | 132 | 54% | 80% | 196 | 05329 |
| Columbia Middle School | 241 | 124 | 51% | 80% | 193 | 05330 |
| Lincoln Middle School | 413 | 345 | 84% | 90% | 372 | 00960 |
| Chas A Lindbergh Middle School | 324 | 59 | 18% | 50% | 162 | 05332 |
| Loucks Middle School | 299 | 248 | 83% | 90% | 269 | 05334 |
| Rolling Acres Middle School | 274 | 62 | 23% | 50% | 137 | 05324 |
| Roosevelt Magnet School | 823 | 570 | 69% | 80% | 658 | 03283 |
| Sterling Middle School | 425 | 209 | 49% | 80% | 340 | 05325 |
| Trewyn Middle School | 520 | 447 | 86% | 90% | 468 | 05335 |
| Von Stueben Middle School | 354 | 136 | 38% | 60% | 212 | 05326 |
| Washington Gifted School | 235 | 18 | 8% | 40% | 94 | 03290 |
| White Middle School | 389 | 318 | 82% | 90% | 350 | 05327 |
| Primary Schools | | | | | | |
| Charter Oak Primary School | 435 | 169 | 39% | 60% | 261 | 04422 |
| Franklin Primary School | 530 | 412 | 78% | 90% | 477 | 03259 |
| Garfield Primary School | 460 | 409 | 89% | 90% | 414 | 03260 |
| Glen Oak Primary School | 647 | 516 | 80% | 90% | 582 | 03262 |
| Harrison Primary School | 507 | 455 | 90% | 90% | 456 | 03265 |
| Hines Primary School | 456 | 163 | 36% | 60% | 274 | 03266 |
| Irving Primary School | 314 | 264 | 84% | 90% | 283 | 03268 |
| Thomas Jefferson Primary School | 477 | 228 | 48% | 80% | 382 | 03286 |
| Kellar Primary School | 428 | 103 | 24% | 50% | 214 | 03269 |
| Kingman Primary School | 346 | 265 | 77% | 90% | 311 | 03270 |
| Northmoor Primary School | 343 | 82 | 24% | 50% | 172 | 03276 |
| Tyng Primary School | 667 | 589 | 88% | 90% | 600 | 03288 |
| Whittier Primary School | 279 | 147 | 53% | 80% | 223 | 03293 |
| Woodrow Wilson Primary School | 453 | 264 | 58% | 80% | 362 | 03294 |
| Other | | | | | | |
| Peoria Alternative School | 87 | 3 | 3% | 40% | 35 | 05444 |
| Valeska Hinton Early Ch ED Ctr | 374 | 266 | 71% | 80% | 299 | 00593 |
| Roberta A Jamieson School | 59 | 43 | 73% | 80% | 47 | 03281 |
| Adult Ed. Ctr. | 55 | 0 | 0% | 20% | 11 | |
| Greeley | 50 | 33 | 66% | 80% | 40 | |
| Totals | 16307 | 8934 | | | 12026 | |
| Total District Discount Rate | 74% | 73.75% (12026/16307) PER SLC INSTRUCTIONS | | | | |

Peoria Public Schools - District 150

SLC Form 471 - Attachment for Item 15

Services Provided

Item 15 Line Number: 1 - Internet Access - QST001

SPIN: 143004466

Service Provider: QST Communications
300 Hamilton Blvd.
Suite 300
Peoria, IL 61602

Contact: Bill Barnes - Phone: 309-655-1380

Contract Number: QST Service Agreement of March 27, 1998

Description of Services: ATM Services between Ricketts Center Network Hub and thirty-seven (37) School District Facilities, under a five-year contract with one-time installation charges of \$353,430.00 and monthly charges of \$22,961.76.

This item provides 155mb ATM services from the Ricketts Center Network Hub to all schools in the District for purposes of Internet access through the Illinois State Board of Education's Internet Hub Site in downtown Peoria.

Eligibility: 100% - 36 of the 37 ATM connections are to School Buildings. A single connection to the District Administration Center is considered eligible, based on the SLC's posting (4/3/98) of : "Services to Administration Buildings" two-part criteria.

Contact Name EARL ROBERTSON
 Contact Telephone Number 309-685-1012

Page 1 of 3 (Total Grid Pages)

**Schools and Libraries Universal Service Program
 Form 471 Pre-Discount Cost Calculation Optional Grid**

Please read instructions before completing

(To be completed by Schools, Libraries, or Consortia)

| | |
|---|---|
| Block A: General Information | |
| 1. Name of Applicant <u>PEORIA SCHOOL DISTRICT 150</u> | 2. Universal Service Control Number (from 470 Application) <u>308590000006812</u> |
| 3a. SLC Service Provider Number (SPIN) if known, and Full Legal Name of your Service Provider <u>14300466</u> | 3b. Contract or Tariff Number (If Applicable - from Item 15-16) <u>QST001</u> |
| 4. Shared Services: Telecommunications Services <input type="checkbox"/> Internet Connections <input type="checkbox"/> Internet Access <input checked="" type="checkbox"/> | 5. Average Discount Rate for Entities Receiving Services Listed Below in Block B (Per Column 11 of Items 15 or 16) <u>74%</u> |

| Block B: Services Ordered Information | | | | | | | | | | | | | |
|--|------------------------------------|-------------|---------------------|----------------------------------|-------------------------|--------------------------------------|---------------------|-------------------------------------|--|---|--|--|---|
| B. Services & Products Ordered Details | | | | | | | | | | | | | |
| 1. Account Information | 2. Service Description | 3. Quantity | 4. One-Time Charges | 5. One-Time Taxes and Surcharges | 6. Unit Monthly Charges | 7. Unit Monthly Taxes and Surcharges | 8. Number of Months | 9. Annual Amount of Monthly Charges | 10. % Eligible Services and/or % Eligible Uses | 11. % Eligible of Service/Product Shared with Ineligible Entities | 12. Estimated Eligible Pre-Discount One Time Charges | Total Annual Amount of Estimated Eligible Pre-Discount Monthly Charges | 14. Estimated Eligible Pre-Discount Total Charges |
| a. ATM | (ATM SERVICES) (TO ALL SCHOOLS) | 1 | 353430 | 0 | 0 | 22962 | 8 | 183696 | 100 | - | 353430 | 183696 | 537126 |
| b. | | | | | | | | | | | | | |
| c. | | | | | | | | | | | | | |
| d. | | | | | | | | | | | | | |
| e. | | | | | | | | | | | | | |
| f. | | | | | | | | | | | | | |
| g. | | | | | | | | | | | | | |
| 7. Total | | 1 | 353430 | 0 | 0 | 22962 | 8 | 183696 | 100 | - | 353430 | 183696 | 537126 |

Attach this grid to your Form 471 application to support Block 5, Items 15 & 16 Columns 8-10 and Item 17.



April 3, 1998

Mr. Earl Robertson
Peoria Public Schools District 150
520 E. Lake Street
Peoria, Illinois 61614

Earl,

This note documents my recommendation on the eligibility of the QST provided ATM networking service that the District plans to use for Internet access. The eligibility is based on the fact that the District is leasing a service from the provider and is not purchasing any hardware, that the service is the lowest cost alternative which provides the required speeds, and that the service provider was selected after a very thorough and competitive RFP process.

I have spoken to the SLC Helpline on two occasions and recently received a formal response from the SLC (March 30, 1998 from questions@slcfund.org) to my electronic mail inquiry that assures me of the system's eligibility.

I have forwarded a copy of that e-mail response to you and will retain a copy in the project file for our records.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald J. Dietrich".

Donald J. Dietrich
TelCon Associates of St. Louis

Peoria Public Schools - District 150

SLC Form 471 - Attachment for Item 15

Services Provided

Item 15 Line Number: 2 - Internet Access - QST003

SPIN: 143004466

Service Provider: QST Communications
300 Hamilton Blvd.
Suite 300
Peoria, IL 61602

Contact: Bill Barnes - Phone: 309-655-1380

Contract Number: QST Service Agreement of March 27, 1998

Description of Services: Fiber Connections between adjacent buildings.
This item provides LAN / Fiber connections to
external buildings at four locations.

Eligibility: 50% - (See attached SLC worksheet).
Two of the locations are school buildings.
One is a maintenance building.
One is a transportation building.

Contact Name EARL ROBERTSON
 Contact Telephone Number 309-685-1012

Page 3 of 3 (Total Grid Pages)

Schools and Libraries Universal Service Program Form 471 Pre-Discount Cost Calculation Optional Grid

Please read instructions before completing

(To be completed by Schools, Libraries, or Consortia)

| | |
|---|---|
| Block A: General Information | |
| 1. Name of Applicant <u>PEORIA SCHOOL DISTRICT 150</u> | 2. Universal Service Control Number (from 470 Application) <u>30859 000000 6812</u> |
| 3a. SLC Service Provider Number (SPIN) if known, and Full Legal Name of your Service Provider <u>143 004 466</u> | 3b. Contract or Tariff Number (if Applicable - from Item 15-16) <u>QST 003</u> |
| 4. Shared Services: Telecommunications Services <input type="checkbox"/> Internal Connections <input type="checkbox"/> Internet Access <input checked="" type="checkbox"/> | Site Specific Services: Internal Connections <input type="checkbox"/> Dedicated Services <input type="checkbox"/> |
| 5. Average Discount Rate for Entities Receiving Services Listed Below in Block B (Per Column 11 of Items 15 or 16) <u>74%</u> | |

| Block B: Services Ordered Information | | | | | | | | | | | | | |
|--|---------------------------|-------------|---------------------|----------------------------------|-------------------------|--------------------------------------|---------------------|-------------------------------------|--|---|--|--|---|
| 6. Services & Products Ordered Details | | | | | | | | | | | | | |
| 1. Account Information | 2. Service Description | 3. Quantity | 4. One-Time Charges | 5. One-Time Taxes and Surcharges | 6. Unit Monthly Charges | 7. Unit Monthly Taxes and Surcharges | 8. Number of Months | 9. Annual Amount of Monthly Charges | 10. % Eligible Services and/or % Eligible Uses | 11. % Eligible of Service/Product Shared with Ineligible Entities | 12. Estimated Eligible Pre-Discount One Time Charges | Total Annual Amount of Estimated Eligible Pre-Discount Monthly Charges | 14. Estimated Eligible Pre-Discount Total Charges |
| a. MMF | MMF-LAN FIBER CONNECTIONS | 4 | 50400 | — | — | — | — | — | 100% | 50% | 25200 | — | 25200 |
| b. | | | | | | | | | | | | | |
| c. | | | | | | | | | | | | | |
| d. | | | | | | | | | | | | | |
| e. | | | | | | | | | | | | | |
| f. | | | | | | | | | | | | | |
| g. | | | | | | | | | | | | | |
| 7. Total | LAN FIBER RUNS | 4 | 50400 | | | | | | 100% | 50% | 25200 | — | 25200 |

Attach this grid to your Form 471 application to support Block 5, Items 15 & 16 Columns 8-10 and Item 17.

Peoria Public Schools - District 150

SLC Form 471 - Attachment for Item 15

Services Provided

Item 15 Line Number: 3 - Internal Connections - QST002

SPIN: 143004466

Service Provider: QST Communications
300 Hamilton Blvd.
Suite 300
Peoria, IL 61602

Contact: Bill Barnes - Phone: 309-655-1380

Contract Number: QST Service Agreement of March 27, 1998

Description of Services: Equipment Racks at Primary Schools and other buildings.
This item provides for the purchase and installation of
standard 19" equipment racks for LAN equipment at
eighteen (18) locations.

Eligibility: 89% - (See attached SLC worksheet).
Sixteen (16) of the locations are school buildings.
One is a maintenance building.
One is a transportation building.

Contact Name EARL ROBERTSON
 Contact Telephone Number 309-685-1012

Page 2 of 3 (Total Grid Pages)

**Schools and Libraries Universal Service Program
 Form 471 Pre-Discount Cost Calculation Optional Grid**

Please read instructions before completing

(To be completed by Schools, Libraries, or Consortia)

| | |
|---|---|
| Block A: General Information | |
| 1. Name of Applicant <u>PEORIA SCHOOL DISTRICT 150</u> | 2. Universal Service Control Number (from 470 Application) <u>30859 000000 6812</u> |
| 3a. SLC Service Provider Number (SPIN) if known, and Full Legal Name of your Service Provider <u>143 004 466</u> | 3b. Contract or Tariff Number (If Applicable - from Item 15-16) <u>QST002</u> |
| 4. Shared Services: Telecommunications Services <input type="checkbox"/> Internal Connections <input checked="" type="checkbox"/> Internet Access <input type="checkbox"/> | Site Specific Services: Internal Connections <input type="checkbox"/> Dedicated Services <input type="checkbox"/> 5. Average Discount Rate for Entities Receiving Services Listed Below in Block B (Per Column 11 of Items 15 or 16) <u>74%</u> |

| Block B: Services Ordered Information | | | | | | | | | | | | | |
|--|--------------------------------------|-------------|---------------------|----------------------------------|-------------------------|--------------------------------------|---------------------|-------------------------------------|--|---|--|--|---|
| 6. Services & Products Ordered Details | | | | | | | | | | | | | |
| 1. Account Information | 2. Service Description | 3. Quantity | 4. One-Time Charges | 5. One-Time Taxes and Surcharges | 6. Unit Monthly Charges | 7. Unit Monthly Taxes and Surcharges | 8. Number of Months | 9. Annual Amount of Monthly Charges | 10. % Eligible Services and/or % Eligible Uses | 11. % Eligible of Service/Product Shared with Ineligible Entities | 12. Estimated Eligible Pre-Discount One Time Charges | Total Annual Amount of Estimated Eligible Pre-Discount Monthly Charges | 14. Estimated Eligible Pre-Discount Total Charges |
| a. <u>RACKS</u> | <u>EQUIP RACKS AT PEORIA SCHOOLS</u> | <u>18</u> | <u>35300</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>100%</u> | <u>89%</u> | <u>31417</u> | <u>-</u> | <u>31417</u> |
| b. | | | | | | | | | | | | | |
| c. | | | | | | | | | | | | | |
| d. | | | | | | | | | | | | | |
| e. | | | | | | | | | | | | | |
| f. | | | | | | | | | | | | | |
| g. | | | | | | | | | | | | | |
| 7. Total | | <u>18</u> | <u>35300</u> | | | | | | <u>100%</u> | <u>89%</u> | <u>31417</u> | <u>-</u> | <u>31417</u> |

Attach this grid to your Form 471 application to support Block 5, Items 15 & 16 Columns 8-10 and Item 17.